



EXCISE

PET 6 Libya
TELEGRAM

552

CONFIDENTIAL 198

PAGE 01 TRIPOL 00646 160640Z

11
ACTION SS-25

INFO OCT-01 ADP-00 /026 W

P R 151519Z MAY 73
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC PRIORITY 0079
INFO AMEMBASSY TUNIS

CONFIDENTIAL TRIPOLI 0646

EXDIS

E.O. 11652: GDS
TAGS: ENRG, LY
SUBJECT: LIBYAN PARTICIPATION/ULTIMATUM

REF: STATE 089625; TRIPOLI 0623

1. HAVE HEARD THAT HIGH LEVEL MEETINGS BEING HELD ON THIS SUBJECT AND SPECIFICALLY ON HOW USG AND MAJORS MIGHT STIFFEN BACKS OF MINORS HERE WHO OTHERWISE LIKELY CAPITULATE. IF TRUE WE ARE NOT SURPRISED

2. HAVE NOT HAD, NOR DO HAVE, MUCH TIME TO DEVOTE THIS SITUATION, BUT IT HAS BEEN FOLLOWED FAIRLY CLOSELY BY COUNTRY TEAM AS MARTINSEN CAN REPORT. AT THIS POINT, SUPPOSE I MIGHT COMMENT ON POLITICAL CONTEXT OF UPCOMING DEADLINES FOR COMPANIES:

A. LAR IS NOT REPEAT NOT GOING TO NATIONALIZE THE THREE COMPANIES FACING DEADLINES THIS WEEK UNLESS THEY DO SOMETHING VERY STUPID BY WAY OF THEIR REPLIES DUE TO PETROLEUM MTN MABRUK. WHEN LARG NATIONALIZES, IT SUDDENLY ANNOUNCES FAIT ACCOMPLI. IN THIS CASE, LARG IS ONLY BRUITING ABOUT, PRETTY VAGUELY, THE THREAT OF NATIONALIZATION.

NOT TO BE REPRODUCED WITHOUT THE AUTHORIZATION OF THE EXECUTIVE SECRETARY

DEPARTMENT OF STATE A/CDC/WR
REVIEWED BY cl DATE 12/20/82
RECEIVED BY 074762
RELEASE ✓ IN PART ✓
PA or FOI EXEMPT. CODE B4, B3, A3

Libya

B4

B1



Department of State **TELEGRAM**

CONFIDENTIAL

PAGE 02 TRIPOL 00546 160640Z

B. QADHAFI WAS OBVIOUSLY LEAVING DOORS OPEN THE WAY HE FIELD THE NUMEROUS QUESTIONS HE RECEIVED FROM FOREIGN NEWSMEN ON THIS SUBJECT MAY 13. SEE FRIS M-131923 AD PASSIM.

C. IN THE LAR, DEADLINES FOR THE COMPANIES TO "COME UP WITH SOMETHING, OR ELSE" ALMOST INVARIABLY DISSIPATE AND FLOAT AWAY UNDER THE DOOR.

D. THIS DOES NOT MEAN A NEW DISPENSATION IS NOT DEMANDED OR INDEED URGENT. RELIEVE RCC HAS NOT ONLY DECIDED ON GETTING THE THREE PRINCIPAL DEMANDS, BUT GETTING THEM SOON -- WELL BEFORE JULY-AUGUST AND THE EXPECTED PREOCCUPATIONS WITH MERGER WITH EGYPT. WOULD GUESS MAY 21 DEADLINE IS FOR AGREEMENT IN PRINCIPLE, AND WILL BE EXTENDED FOR ANY DETAILED AGREEMENT THAT MAY BE IN SIGHT BY THEM.

E. CANNOT STRESS TOO STRONGLY THAT RCC GOAL IS SOMETHING MORE THAN 50 PERCENT OWNERSHIP AND THAT INDUSTRY WILL HAVE TO COME UP WITH SOMETHING THAT AT LEAST LOOKS LIKE A HIGHER PERCENTAGE EITHER IN TERMS OF OWNERSHIP OR CONTROL -- OR BOTH. HOWEVER, BELIEVE RCC WOULD PAY A HIGH "PRICE" FOR EVEN A COSMETIC HIGHER PERCENTAGE.

F. TIME HAS COME THEREFORE FOR COMPANIES TO BE IMAGINATIVE AS WELL AS UNITED AND FIRM. THEIR CURRENT MAIN AIM, ACCESS TO OIL, IS RECONCILABLE TO RCC'S MAIN AIM -- SOMETHING THAT LOOKS LIKE 100 PER CENT CONTROL, EVENIF IT IS NOT IN FACT.

G. I SPELLED OUT THESE BASICS, IN GREATER DETAIL, TO SHAFER ON MARCH 13 AND REPORTED THEM FULLY TO GORDON BROWN MARCH 15 BY OFFICIAL-INFORMAL LETTER. HAVE RECEIVED NO REPLY, BUT ASSUME IT NOT FORGOTTEN.

NOT TO BE REPRODUCED WITHOUT AUTHORIZATION OF THE EXECUTIVE SECRETARY



Department of State

TELEGRAM

CONFIDENTIAL

PAGE 03 TRIPOL 00646 160649Z

3. SUGGEST STATE REFTEL AND OTHERS THIS SUBJECT BE
AT TUNIS FOR COUNTRYMAN. RELIEVE HE SHOULD FEEL FREE
TO COMMENT ON BASIS HIS DEEP KNOWLEDGE AND RECENT
EXPERIENCE OIL SITUATION HERE.
JUSIF

NOT TO BE REPRODUCED WITHOUT THE AUTHORIZATION OF THE EXECUTIVE SECRETARY